



NATIONAL CONFEDERATION OF BANK EMPLOYEES

(Registered Under the Trade Unions Act 1926 - Registration No. B-2334)

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All letters to be addressed to the General Secretary

FED/GS/NCBE/2024/07

Date: 24.12.2024

To,
Chief Executive,
Indian Banks' Association,
World Trade Centre Complex, Centre 1, 6th Floor
Cuffe Parade, Mumbai – 400 005.

Respected Sir,

PAYMENT OF DEARNESS RELIEF – CHANGE OF BASE YEAR FROM (1960=100) SERIES TO (2016=100) SERIES

It is known that in terms of the 12th Bipartite Settlement / 9th Joint Note dated 08.03.2024 agreed between the Indian Banks' Association (IBA) and Workmen Unions / Officers' organizations, with effect from the 1st November 2022, the Base Year for payment of Dearness allowance has been changed from (1960=100) series to (2016=100) series. Likewise, Bank pensioners, who have retired on and from 01.11.2022 are also paid dearness relief on the basis of CPI (2016=100) series.

2. We are receiving representations from many pensioners, who have retired prior to 01.11.2022 seeking uniform dearness relief on the basis of CPI (2016=100) series, so as to adjust the underpayment of dearness relief on account of errors in conversion of CPI from the present (2016=100) series to (1960=100) series and also on account of higher rounding of slab rate under the above referred Bipartite Agreement / Joint Note.

3. The Dearness Relief for those pensioners, who have retired prior to 01.11.2022, is still paid on the basis of CPI (1960=100) series, despite changes in Base Year of CPI in 1982, 2001 and 2016, by converting the index numbers with the applicable link factors. Such conversion also results in fixation of various Dearness Relief Rates for pensioners in accordance with their dates of retirement / the period of BPS/Joint Note, during which they retired and the process in real terms is cumbersome. Hence, it would be appropriate to change the base year from (1960=100) series to (2016=100) series for payment of Dearness Relief even to those pensioners, who have retired prior to 01.11.2022.

4. In this connection, we furnish hereunder two types of conversion factors (i.e., (i) by direct method of Simple Merger of D.R. at 8088 points CPI and (ii) Simple Merger of D.R. at 8088 points CPI bipartite-wise on cumulative basis), for computing the notional basic pension of pensioners, by merger of D.R. at 8088 CPI, for payment of Dearness Relief to all Bank Pensioners with the base year (2016=100) series.

BPS / JN PERIOD	CPI MERGER POINTS		CONVERSION FACTOR	
	EXISTING	PROPOSED	DIRECT METHOD	CUMULATIVE METHOD
01.11.1987/ 01.01.1990 to 31.10.1992/ 30.06.1993	600	8088	13.5424	14.7670
01.11.1992/ 01.07.1993 to 31.10.1997/ 31.03.1998	1148	8088	7.0725	7.6996
01.11.1997/ 01.04.1998 to 31.10.2002	1684	8088	4.8424	5.2414
01.11.2002 to 31.10.2007	2288	8088	3.6100	3.8472
01.11.2007 to 31.10.2012	2836	8088	2.9695	3.0861
01.11.2012 to 31.10.2017	4440	8088	1.9120	1.9270
01.11.2017 to 31.10.2022	6352	8088	1.3038	1.3038

5. We are of the view that simple merger bipartite-wise on cumulative basis is justified and can be adopted for the following reasons:

- a. The situation of lower benefit to the pensioners retired since long when compared to the recent pensioners can be avoided.
- b. It is appropriate and justified benefit to the senior pensioners.
- c. The benefit may seem little more, but considering the age and also less number of such senior pensioners, this benefit would be the consolation to those senior pensioners, who are struggling to meet their increasing expenses due to spiraling escalation in cost of essential items.

6. We request you to convene a meeting at the earliest to discuss on the captioned subject towards early resolution of the issue, as already more than 2 years have lapsed since the effective date of conversion of base year to (2016=100) series to all those pensioners who retired/retire on and from 01.11.2022 onwards.

7. Please acknowledge receipt of this communication and advise us the developments in this regard.

With best regards

Yours faithfully,



(L. CHANDRASEKHAR)
GENERAL SECRETARY